

MOTOR FINANCE GAP COVER

PRODUCT DISCLOSURE STATEMENT (PDS)

This PDS is dated 1 May 2009

Issued by Steeves Agnew Underwriting Agency Pty Ltd ("Steeves Agnew") (ACN 121 360 978, AFS Licence No. 305802) acting under a binder as an agent of Great Lakes Reinsurance (UK) PLC (ARBN 127 740 532, ABN 18 964 580 576, AFS Licence No. 318603), trading as Great Lakes Australia ("Great Lakes Australia").

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PART 1 – ABOUT OUR MOTOR FINANCE GAP POLICY

1. Introduction

This Product Disclosure Statement (PDS) will help You decide whether to take out this insurance and to compare this product with other products You may be considering.

Part 1 of this PDS includes general information about this insurance. Part 2 of this PDS is the Policy that sets out the specific terms, conditions and exclusions of the cover that We will provide, which should be read to ensure that it provides the cover You need.

You should keep this PDS in a safe place for future reference, such as at the time of a claim.

In this PDS, We/Us/Our mean Steeves Agnew acting under a binder as an agent of Great Lakes Australia. You and Your mean the person named in the Schedule as being the insured.

Australian Reliance Pty Ltd ("Australian Reliance") (ACN 103 351 122, AFS License No. 227041) and its authorised representative have arranged this PDS on Your behalf. You should carefully read this PDS and contact Us, or Australian Reliance or its authorised representative if You have any questions (see section 3 and 4).

It is important that You read this PDS carefully to understand the extent of cover provided by this insurance and to understand its limitations.

2. Words with a special meaning

Words that begin with a capital letter have a special meaning when used in this PDS. The meaning of these words can be found in the Policy wording on page 9. We have used the same meanings throughout this PDS to be consistent.

3. About Great Lakes Australia and about Us

This insurance is underwritten by Great Lakes Australia, an authorised Australian insurer. As an authorised insurer, Great Lakes Australia is regulated by the Australian Prudential Regulation Authority ('APRA').

Great Lakes Australia is a branch office of Great Lakes Reinsurance (UK) PLC which is a limited liability company incorporated in England and Wales and a wholly owned subsidiary of the Munich Re Company, part of the Munich Re Group. The Munich Re Group is one of the largest insurance groups in the world.

Great Lakes Australia has strong financial security characteristics. However, please note that ratings can vary from time to time. You can check Great Lakes Australia's current rating at the following website:

Standard & Poors: www.standardandpoors.com

Great Lakes Australia can be contacted as follows:

143 Macquarie Street, Sydney, NSW, 2000
PO Box H35 Australia Square, Sydney, NSW, 1215
Telephone: (02) 9272 2050
Email: reception@gla.com.au
Website: www.gla.com.au

Great Lakes Australia is a party to the General Insurance Code of Practice. You can access the Code at www.codeofpractice.com.au or via Great Lakes Australia's website.

This insurance is issued by Us acting under a binder as an agent of Great Lakes Australia. We act on behalf of and in the interests of Great Lakes Australia. We do not act on Your behalf.

Our contact details are:

Address: Level 2, 499 St Kilda Road, Melbourne, 3004
Telephone: (03) 9258 1777
Facsimile: (03) 9867 5540
Website: www.steevesagnew.com.au
Email: info@steevesagnew.com.au

4. About Australian Reliance

Australian Reliance is a licensed insurance intermediary. Australian Reliance and its authorised representative are intermediaries who act on Your behalf in arranging this insurance.

Australian Reliance contact details are:

Address: Level 15, Fawkner Centre, 499 St Kilda Road, Melbourne, VIC, 3004
Telephone: (03) 9864 4444
Facsimile: (03) 9867 5110

5. Significant features and benefits of Motor Finance Gap Cover

The following is a summary only of some of the key features available under the Policy. Please refer to the terms, conditions and exclusions of the Policy wording in Part 2 of this PDS for full details of the cover.

From the Commencement Date, We will pay to Your Financier Your Indebtedness on the Loan Contract to the Financier after the Motor Vehicle has been deemed a Total Loss and following Total Loss Payout of the Market Value or Agreed Value by the Comprehensive Motor Vehicle insurer, subject to the limit of coverage You selected.

The extent of cover provided under Your policy is up to \$15,000 at policy inception. .

If you decide to purchase cover, the coverage will be identified on Your Schedule, subject to the terms, conditions and exclusions of this Policy.

Provided You supply Us with satisfactory proof of Your actual loss, We will also provide cover for the following benefits until the limit of coverage You have selected is exhausted:

Benefits Included in Motor Finance GAP Cover	Maximum Amount Payable
Motor Excess Cover	\$1,000
Insurance Premium Cover	\$1,500
Extra Rental Vehicle Cover	14 days cover to a maximum of \$100/day
Extra Personal Effects Cover	\$1,500

These benefits are fully defined on page 9.

6. Your individual requirements

When preparing this PDS, We have not taken into account Your individual objectives, requirements or financial position. We generally distribute our products through licensed insurance brokers or advisers (intermediaries).

You should discuss with Your intermediary the type of risks You need to insure against and the appropriate amount of cover that You need. Further, if You have any questions about the appropriateness of this product for Your objectives, requirements or financial position, You should seek advice from Your intermediary.

If You wish to contact Us about this PDS, please use the contact details given above. However, We can only provide You with factual information or general advice about this product and cannot advise You whether the product is appropriate for Your objectives, requirements or financial position.

If Your circumstances relevant to the risks We have agreed to insure change after taking out this insurance You should notify Us (or ask Your intermediary to do so on Your behalf) as soon as possible.

7. Other issues to consider before taking out this insurance

Like all insurance contracts, the Policy contains exclusions, terms and conditions, as well as limits and sub-limits that You should be aware of when considering whether to purchase this product.

Exclusions and limitations

The Policy has a number of exclusions and limitations that apply to all benefits under the Policy. These can be found under the heading 'Exclusions and Limitations' on page 10.

Policy limits

There is a maximum amount We will pay for each benefit. These amounts are shown in the description of each benefit under the heading "The Coverage" on page 9.

Policy term

Subject to the *Insurance Contracts Act*, this Policy has a number of events whereby this Policy will automatically expire. These policy expiration events can be found under the heading Policy term on page 11.

How We pay claims

We shall pay all benefits under this Policy to Your Financier, with the exception of the 'benefits included' which are payable to You solely for your benefit.

8. How to apply for this insurance and Our contract with You

We will use the information You supply to Australian Reliance's authorised representative prior to the start of Your Policy to determine the terms of cover We will provide.

The terms of cover are contained in this PDS and the most recent Schedule that We issue to You.

The Schedule will contain important information about Your cover, including the period of insurance, the premium, the type and the amount of cover, the details of Your

Vehicle, and whether any standard terms have been varied by way of endorsement to the Policy.

You should keep all of the Policy documents in a safe place along with receipts and other evidence of Your ownership of the Motor Vehicle and the value of the items insured.

9. The Premium

The cost of the insurance is called the premium. We calculate the premium based on the level of cover provided.

Premiums are also subject to Commonwealth and State taxes and/or charges, including Fire Services Levy (where applicable), GST and stamp duty as well as any additional charges including fees and commissions. These amounts will be shown on Your Schedule.

Please note that the cover We provide is subject to payment of the premium.

10. Your duty of disclosure

Before You take out an insurance policy with Us, the *Insurance Contracts Act 1984* requires You to tell Us every matter that is known to You that:

- You know to be a matter relevant to Our decision whether to accept the risk and, if so, on what terms, or
- a reasonable person in the circumstances could be expected to know to be a matter relevant to Our decision.

Therefore, before You enter (or renew, extend, vary or reinstate) an insurance policy with Us You must:

- give Us complete and honest answers.
- tell Us everything You know, and
- tell Us everything that a reasonable person in the circumstances could be expected to know and tell Us.

Who needs to disclose

You are answering questions on behalf of both Yourself and anyone else You want to be covered by this insurance. The duty of disclosure applies to You and everyone else insured by the Policy.

How long does the duty of disclosure last

The duty to disclose continues right up to the commencement date of the insurance or the date it is renewed, even if the application has already been completed.

What We do not need to be told

You do not need to tell Us about any matter that:

- diminishes Our risk.
- is of common knowledge.
- We know or, in the ordinary course of business, ought to know, or
- We say We do not need to know.

Failure to disclose

We can reduce the amount We pay under this insurance for a claim or even cancel the insurance cover if You or anyone else insured under the Policy fail to comply with the duty of disclosure.

If a non-disclosure is fraudulent, We may avoid the Policy under the *Insurance Contracts Act 1984*, resulting in Us treating the Policy as if it never existed.

11. Cooling off

You may return the Policy to Us within 21 days from the date the Policy commenced with a written notice stating that the Policy is not required and We will refund the premium to You in full provided that neither a claim has been made under the Policy or anything has occurred for which a claim is payable.

12. Cancellation

You may cancel this Policy at any time prior to the occurrence of a loss by notifying either Australian Reliance or its authorised representative in writing. The cancellation will take effect on the day they receive such notice in writing. Unless a Total Loss has been paid, We will refund the premium for the unexpired period of insurance subject to the company retaining a minimum premium of \$50. If the premium was financed then the refund will be forwarded to Your Financier. If more than one person, company or firm is named on the Policy as an insured party, We will only cancel the Policy if a written agreement to cancel the Policy is received by Us from all parties named as an insured party.

We may cancel Your Policy in any of the circumstances set out in, and in the manner allowed by the *Insurance Contracts Act 1984*. We will advise You in writing if the Policy is cancelled by Us. We will refund the premium for the unexpired Period of Insurance (unless a Total Loss has been paid).

13. How to make a claim

If You need to make a claim please refer to the heading "Making a claim" on page 11. You should first contact Australian Reliance or its authorised representative.

14. Dispute resolution

We view seriously any complaint made about Our products or services and will deal with it promptly and fairly.

If You have a complaint please first try to resolve it by speaking to the State Manager at Australian Reliance, who can be contacted by telephone on (03) 9864 4444. As when arranging this insurance for You, Australian Reliance also acts on Your behalf, not Ours, when assisting You with Your complaint.

If the matter is still not resolved, You or Australian Reliance on Your behalf may contact Our Internal Disputes Resolution Officer on (03) 9258 1777 or by writing to Us at the address given above. We will acknowledge receipt of Your complaint within 3 working days.

If the complaint relates to the insurance cover We will work with Great Lakes Australia to resolve the complaint. We will, provided We have sufficient information, complete the review within 15 working days. Where We are unable to do so, We will agree a new timeframe for responding to You. In any case, We will provide You with an update every 10 working days.

In the event You are not satisfied with the final decision, You may wish to contact the Financial Ombudsman Service ("FOS"). The FOS is a free independent external disputes

resolution service provided to customers to review and resolve complaints where We have been unable to satisfy Your concerns.

For further details you can visit their website www.fos.org.au or contact them:

Address: GPO Box 3, Melbourne, VIC, 3001
Telephone: 1300 78 08 08
Email: info@fos.org.au

15. Privacy

We and Great Lakes Australia are bound by the requirements of the *Privacy Act 1988*, which sets out standards on the collection, use, disclosure and handling of personal information.

We collect personal information from You for the purpose of providing You with insurance products and services and for processing and assessing claims.

Personal information is treated with care. We will not release Your personal information to anyone else other than Great Lakes Australia, its related entities, Your insurance intermediary or as permitted or required by law.

If You make a claim under this insurance, We may disclose information to (and/or collect additional information about You from) claims investigators, claims managers, assessors, lawyers, medical practitioners and health workers, and federal or state regulatory authorities, including Medicare Australia and Centrelink.

You have the right to seek access to Your personal information and to correct it at any time.

If You require further information or would like a copy of Our Privacy Policy please contact Our Privacy Officer on (03) 9258 1777 or write to Us at the address given above. A copy of Our Privacy Policy can also be obtained from Our website.

Details on Great Lakes Australia's Privacy Policy can be found at www.gla.com.au or by contacting them:

Address: The Privacy Officer, 143 Macquarie Street, Sydney, NSW, 2000
Telephone: (02) 9272 8000
Email: privacyofficer@gla.com.au

16. Updating Your Motor Finance Gap Cover details

If You have changed Your address or require any other personal details to be altered, please advise Australian Reliance or its authorised representative.

PART 2 – MOTOR FINANCE GAP COVER POLICY WORDING

1. Our Agreement

Provided You have paid the premium, We will insure you during the period of insurance subject to the terms and conditions of this policy.

The policy wording, schedule and any other endorsements or notices We may give You in writing, form Our agreement and together set out the terms and conditions.

2. The Coverage

The cover provided

From the Commencement Date, We will pay to the Financier Your Indebtedness on the Loan Contract to the Financier after the Motor Vehicle has been deemed a Total Loss and following Total Loss Payout of the Market Value or Agreed Value by the Comprehensive Motor Vehicle insurer, up to the limit of coverage You selected.

The extent of cover provided under Your policy is up to \$15,000 at policy inception.

If you decide to purchase cover, the coverage will be identified on Your Schedule, subject to the terms, conditions and exclusions of this Policy.

Benefits Included

Provided You supply Us with satisfactory proof of Your actual loss, We will also provide cover for the following benefits until the limit of coverage You have selected is exhausted:

Benefits Included in Motor Finance GAP Cover	Maximum Amount Payable
Motor Excess Cover	We will cover the Comprehensive Motor Insurance excess paid by You in respect of your Total Loss claim, subject to a maximum of \$1,000 in relation to any one accident
Insurance Premium Cover	We will cover the first year's Comprehensive Motor Insurance premium for the vehicle replacing the vehicle You lost, subject to a maximum of \$1,500
Extra Rental Vehicle Cover	Where rental vehicle costs cover is provided by the Comprehensive Motor Insurance policy and is exhausted following the Total Loss of Your vehicle, We will provide a further 14 days cover subject to a maximum of \$100/day and on the same terms and conditions as apply under that Comprehensive Motor Insurance policy.
Extra Personal Effects Cover	Where personal effects cover is provided by the Comprehensive Motor Insurance policy and is exhausted following the Total Loss of Your vehicle, We will provide further cover to a maximum of \$1,500 cover and on the same terms and conditions as apply under that Comprehensive Motor Insurance policy.

3. Definitions

Agreed Value means the sum insured that You and Your Comprehensive Motor Vehicle Insurer have agreed to insure Your Motor Vehicle for.

Comprehensive Motor Vehicle Insurance means the Insurance Policy that provides cover for accidental loss or damage for Your Motor Vehicle being in force at the date of the incident resulting in the Total Loss.

Financier means the Finance Company named in the Proposal and Schedule.

Indebtedness means the amount owing to Your Financier under your Loan Contract as at the date of the Incident resulting in the Total Loss less the Total Loss Payout under the Comprehensive Motor Vehicle Insurance.

Loan Contract means the Finance contract taken out for the purchase or lease of Your Motor Vehicle described in the schedule.

Market Value means the current Market Value of Your Motor Vehicle immediately prior to the incident resulting in the Total Loss as determined by Your Comprehensive Motor Vehicle Insurer.

Motor Vehicle means the Motor Vehicle described in the Proposal and Schedule including its standard equipment, tools and accessories that were in or attached to the Motor Vehicle at the time of purchase.

Terrorism means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by a person or group, whether or not acting on behalf of or in connection with any organisation, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy. Terrorism shall also include any act which is verified or recognised by the government of any country in which the insured operates or exports products into, as an act of Terrorism.

Total Loss means that Your Motor Vehicle has been stolen and not recovered and/or has been damaged beyond economical repair and has been deemed a total loss by Your Comprehensive Motor Vehicle Insurer.

Total Loss Payout means the payout of either the Market Value or the Agreed Value by Your Comprehensive Motor Vehicle Insurer following the Total Loss of Your Motor Vehicle.

Underlying Policy means Comprehensive Motor Vehicle Insurance Policy.

We, Us and Our means Steeves Agnew acting under a binder as an agent of Great Lakes Australia.

You and Your means the person named in the Schedule as being the insured.

4. Exclusions and Limitations

You must have paid the Motor Finance GAP insurance premium before We will pay any claim.

The below items are not covered by this Policy:

- Any penalty payments for early discharge or additional interest payments under Your Loan Contract, other than where such payments are directly attributable to Your Motor Vehicle being deemed a Total Loss.
- The amount of any increased liability solely attributable to a variation to Your Loan Contract.
- Any arrears, deferred payments, overdue or outstanding interest payments or late charges owed to the Financier at the time Your Motor Vehicle becomes a Total Loss.
- Any debt or amount outstanding under a previous finance contract (a minus equity amount) will not be included in any payment under this policy
- Any liability for You to pay the Goods and Services Tax unless You are not a registered entity within the meaning of the *A New Tax System (Goods and Services Tax) Act 1999*.

- Except for the application of a policy excess or deductible, payment if Your Comprehensive Motor Insurer does not pay out the full Market Value (on a Market Value insurance policy) or the full Agreed Value (on an Agreed Value insurance policy) following a Total Loss for any reason whatsoever.
- Payment for more than one claim on this policy.
- Any claim arising out of war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, invasion, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.
- Any claim arising directly or indirectly as a result of or in connection with Terrorism.
- Any financed Motor Vehicle GAP insurance premiums.

5. Policy term

This policy will expire and cover will cease on any of the following events:

- When the period of insurance expires.
- If the policy is cancelled.
- If Your finance contract or lease is paid out, discharged, refinanced or terminated.
- If Your Motor Vehicle is no longer covered by a Comprehensive Motor Vehicle Insurance policy.
- A valid claim is made under this Policy.
- Five years from the commencement date of the policy.

6. Policy Cancellation

You may cancel this policy at any time prior to the occurrence of a loss by notifying either Australian Reliance or its authorised representative in writing that You want to cancel the policy. The refund will be calculated on a pro rata basis subject to the company retaining a minimum premium of \$50. If the premium was financed then the refund will be forwarded to Your Financier.

7. Difference in Conditions & Difference in Limit

It is a condition that the Underlying Policy will act as primary insurance whereas Our policy will act solely as an excess and/or difference in conditions of the underlying policy but for no broader coverage than the terms, limitations and conditions of this policy.

8. Making a Claim

Contact Australian Reliance for a claim form as soon as You suffer a Total Loss. You must fully complete the form, sign and return it to Australian Reliance as soon as possible. You must give Australian Reliance any other information We ask for to support Your claim and provide assistance when required.

Australian Reliance's contact details are provided below:

Address: Level 15, Fawkner Centre, 499 St Kilda Road, Melbourne, VIC, 3004
 Telephone: (03) 9864 4444
 Facsimile: (03) 9867 5110

Australian Reliance will also require that You authorise:

- Your Comprehensive Motor Insurer to release all documents relevant to any payout. under Your Comprehensive Motor Vehicle Insurance policy.
- The Financier to release all documents relevant to verify the amount You owe the Financier under the Loan Contract.